

Hallmark Cards Case Study

US EXECUTIVE APPROVAL FORM									
CUSTOMER NAME: Hallmark Cards 2801 McGee Kansas City, MO 64110									
SECTION I - A: HQ APP Request	<table border="1" style="width: 100%;"> <tr> <th style="text-align: left; padding: 2px;">Migrations</th> </tr> <tr> <td style="padding: 2px;">Does deal include migration (y/n) N</td> </tr> <tr> <td style="padding: 2px;">Discount on migrated licenses N</td> </tr> </table>	Migrations	Does deal include migration (y/n) N	Discount on migrated licenses N					
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B: Lead and follow C: Oracle PL/SQL D: Oracle database	<table border="1" style="width: 100%;"> <tr> <th style="text-align: left; padding: 2px;">Customer history</th> </tr> <tr> <td style="padding: 2px;">Existing contractual discount 0%</td> </tr> <tr> <td style="padding: 2px;">(price hold)</td> </tr> <tr> <td style="padding: 2px;">Date of Price List for price hold 12/02</td> </tr> <tr> <td style="padding: 2px;">When does price hold expire? 12/03</td> </tr> <tr> <td style="padding: 2px;">Price hold program categories DR Payroll</td> </tr> <tr> <td style="padding: 2px;">Database, server, exp, com, hr/payroll, app(suit)</td> </tr> <tr> <td style="padding: 2px;">Name of Agreement applicable CRM # 01-1482</td> </tr> </table>	Customer history	Existing contractual discount 0%	(price hold)	Date of Price List for price hold 12/02	When does price hold expire? 12/03	Price hold program categories DR Payroll	Database, server, exp, com, hr/payroll, app(suit)	Name of Agreement applicable CRM # 01-1482
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OTHER Requests									
OTHER 255 Reques									
F: Oracle License G: Oracle contract li H: Warranty / Ouar I: Financial report									
SECTION III - Justification:									
<ul style="list-style-type: none"> ▪ EXCLUSIVITY: Cooperation, alignment against CSE Ltd. - accepted offer or less than OEM license fee and license volume support via Oracle Contract cover this account with no support outside. The customer agrees to software division as well. ▪ Tiebreaker: This deal represents the first Application where year-in Hallmark. There are several other large targets (MFG, CRM, L&E). Starting Oracle in the next few years will cut corporate software spend. Finance take at corporate. ▪ SME and Hallmark long term use: purchase the entire higher education is warranted. ▪ Oracle has been committed in one-on-one pilot. ▪ OCS, Finance, Support and OED involved. ▪ Limited use, up to 60 Database and SAS to Oracle apps. ▪ This deal represents over 60% Hallmark at corporate. ▪ 90% discount (two at once). ▪ License commitment by Hallmark contractual usage: <ol style="list-style-type: none"> 1. Oracle Human Resources - All full time, part time and retired persons plus casual laboring contractors. 2. Oracle Payroll - All full time and part time persons plus casual labor. Does not include retirees who are paid by ADP and won't access Oracle Payroll. 3. Oracle Advanced Benefits - All full time, part time and retired persons minus US \$1000 Retiree Merit and services who don't receive any benefits and won't access OAH. 4. Oracle Self Service HR - All full time, part time and retired persons plus contractors. 5. Oracle Time and Absence - All full time and part time persons plus contractors who don't access OAH. 6. Oracle Recruitment - All full time and part time person plus external hire and contractors. 7. Oracle ER Information - All full time and part time persons plus external hire and contractors. 									
Recommendation: Review needs for HQT & work group									
Submitted By: Matt Roemer, Matt Mills Field RM name if submitted By OracleDirect:									
By: <i>Matt Roemer, Matt Mills</i> Date: 11/17/2003									

“EXTREMELY Competitive
situation against PSFT.
Peoplesoft in at less than 1M in
license fees and lower yearly
support %. Craig Conway all
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and calls.”

“50% of Hallmark employees are part-time, thus a higher discount is warranted”

US EXECUTIVE APPROVAL FORM

CUSTOMER NAME: Hallmark Cards
2501 McGee
Kansas City, MO 64141

SECTION I - Approval Requests:
HQAPP Requests:

1. Load and Return language required to eliminate Missouri sales tax
2. 5 year flatlined support, 4% cap in years 6-10.
3. 90% discount worst case

TIER 1 Requests:

1. 3 year price hold w/ \$25k purchase minimum.

TIER 2/3 Requests:

1. Global Licenses -- Canada, Mexico and Hong Kong. 200 employees each.
2. OTL control hold release -- John Wookey
3. Waive CD pack fees
4. Limited use EE and 9iAS to Oracle apps

SECTION II -- Deal Summary:

Deal Summary (modify as deal changes to reflect your worse case)	
Product Mix:	HR, Payroll, OTL, Advanced Benefits, Self Service HR, iRecruitment, HR intelligence, Internet Expenses, Enterprise Edition database, 9iAS Enterprise Edition, Spatial, Partitioning (All Tech Restricted)
License Discount	90% (ebiz + 65%) worst case
Support Discount	90% (ebiz + 65%) worst case
Comp & Admin Discount	N/a
Phased Implementation for Comp & Admin?	See checklist below
Support Options/Holds	5 year support hold -- flatlined
Price Holds	2.5 years
List License	\$13,02,785
List Support	\$2,864,791
List Comp & Admin	N/a
Net License	\$1,302,178
Net Support	\$286,478
Net Comp & Admin	N/a
Net Price	\$1,588,656
Price List Used (specific date)	10/07/03



Migrations	
Does deal include migration (y/n)	No
Discount on migrated licenses	No

Customer history	
Existing contractual discount (price hold)	60%
Date of Price List for price hold	7/02
When does price hold expire?	12/31/03
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	HR/Payroll
Name of Agreement, if applicable	OM # 6734807

SECTION III - Justification:

- **EXTREMELY Competitive situation against PSFT.** Peoplesoft in at less than 1M in license fees and lower yearly support %. Craig Conway all over this account with meetings and calls. The customer owns P-soft in a division as well.
- **Icebreaker** – This deal represents the first Application win in years at Hallmark. There are several other large targets (Mfg, CRM, E-Biz Suite) for Oracle in the next few years as our footprint extends past Financials at corporate.
- 50% of Hallmark employees are part-time, thus a higher discount is warranted
- Oracle has been engaged in a successful pilot.
- OCS, License, Support, and OFD involved.
- Limited use of 9i Database and 9iAS to Oracle apps.
- This deal represents entire Hallmark enterprise.
- 90% discount (worst case)
- License counts according to Hallmark's actual usage:
 1. Oracle Human Resources – All full-time, part-time and retired persons, plus casual labor and contractors
 2. Oracle Payroll – All full-time and part-time persons, plus casual labor. Does not include retirees who are paid by ADP and won't access Oracle Payroll
 3. Oracle Advanced Benefits – All full-time, part-time and retired persons, minus 15,000 Retail Merchandisers who don't receive any benefits and won't access OAB
 4. Oracle Self Service HR – All full-time, part-time and retired persons plus contractors
 5. Oracle Time and Labor – All full-time and part-time persons. Excludes retirees who won't access OTL
 6. Oracle iRecruitment – All full-time and part-time persons, plus casual labor and contractors
 7. Oracle HR Intelligence – All full-time and part-time persons, plus casual labor and contractors

Recommendation: (leave blank for HQAPP to fill out)

Submitted By: Matt Renner/Matt Mills

Field RM name if submitted by OracleDirect:

R: (leave blank for HQAPP to fill out)

11/13/2003 v.1

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A:
BP: